



The Timber Ridge Series®

Individual term life insurance with critical illness coverage

Critical Illness Happens to Other People . . . *until it happens to you.*

When faced with a critical illness, both medical and non-medical expenses arise. Out-of-pocket expenses such as in-home care, lost wages and child care come along at exactly the wrong time, and they can be devastating. Many Americans do not have sufficient savings to meet immediate out-of-pocket expenses and are forced to deplete their available assets to cover costs. More than half of all U.S. bankruptcies are based on a medical event;¹ often, these involve people with health insurance who are nonetheless faced with tens of thousands of dollars of out-of-pocket expenses.

That's why you should consider The Timber Ridge Series[®] critical illness insurance. It's reasonably priced and can help if a critical illness happens to you or a covered spouse or child.

Covered Conditions:²

75% coverage

- Invasive cancer
- Heart attack
- Stroke
- End-stage renal failure
- Major organ transplant

- Terminal illness
- Advanced Alzheimer's Disease
- Paraplegia

25% coverage

- Coronary bypass surgery
- Heart valve replacement/repair surgery
- Aortic surgery

10% coverage

- Angioplasty

Death from any cause is a 100% benefit, except suicide during the first two years.

¹ David U. Himmelstein, MD, Deborah Thorne, PhD, Elizabeth Warren, JD, and Steffie Woolhandler, MD, MPH, "Medical Bankruptcy in the United States, 2007: Results of a National Study," *American Journal of Medicine*, 2009. ² Covered conditions are defined in the policy. The summary contained in this piece is only an overview of the actual policy definitions, which should be consulted and will control.



How do Death and Living Benefit Coverages Work?³

Timber Ridge Series pays:

- **Death benefits** following your death while the policy remains in force. The death benefit available reduces by the amount of any living benefit payments made.
- **Living benefits** following the first-ever diagnosis of one of the qualified covered conditions made on or after the 30th day after the policy effective date, regardless of additional treatment, actual expenses or other coverage.² If 75% of the face amount is paid as a living benefit, the Qualified Covered Condition Accelerated Benefit Rider coverage ends but the death benefit amount remains available. Only one living benefit payout per policy for each type of benefit.⁴

Every ten years, the amount of premium will increase or you may elect to continue to pay the same premium and the coverage will decrease.

Qualified Covered Condition Accelerated Benefit Family Rider ("Family Rider," Optional)⁵

Spouse Only option: With the payment of the required premium and approval by the home office, this rider provides \$10,000 of 10-year level term life insurance in the event of death and/or critical illness coverage upon first diagnosis of life threatening cancer, heart attack, stroke, renal failure, major organ transplant and terminal illness.² The rider is guaranteed renewable every 10 years and terminates at your age 70 or your spouse's age 70, whichever occurs first. The spouse rider is convertible to a \$10,000 renewable and convertible individual term life policy with the covered critical condition accelerated benefit rider without proof of insurability based on the premium rates at his/her then attained age.

Spouse and/or Child option: Child coverage is available under this option. All eligible children can be covered for \$5,000 of 10-year level term life insurance and critical illness coverage for the same covered conditions as the spouse. Refer to the policy for spouse and child eligibility definitions.

Under either option, the total amount paid out for death benefits or covered conditions will not exceed \$10,000 on the insured spouse and \$5,000 per insured child.

Tax Treatment of Accelerated Living Benefit

Unlike a death benefit, living benefits may be taxable. You should consult with a tax advisor as to the taxability of any living benefit you receive.

Coverage Reduction and Termination

Termination of the life insurance policy will terminate living benefits. This plan ends when you reach age 70. See the policy for options available to convert the life insurance coverage prior to age 65.

Meet Morena, a single 48-year-old mother of 9-year old daughter Sara. They live in Illinois. Morena is a non-smoker and pays particular attention to her diet and health, as her family has chosen the Critical Illness Family Rider (Optional) for a benefit amount of \$12,784. If Morena has a critical illness, this plan may pay for her family. What is her weekly premium? Only \$6.68.

³ Some exclusions and exceptions apply. Your agent will explain the benefits available in Illinois. ⁴ For all covered conditions with the same percentage of face amount.

⁵ The Critical Illness Family Rider automatically renews when the policy is renewed.

Sample: The effects of the payment of multiple benefits on a policy's death benefit and premium

Policy: \$50,000 Face Amount

1. First, a claim and benefit payment are made for aortic surgery (a qualified covered condition):
\$12,500 — equal to 25% of the face amount — is paid under the Qualified Covered Condition Rider.
 - a) The Death Benefit under the policy is reduced to \$37,500.
 - b) The policy's current annual premium of \$520 reduces to \$395.
2. Later, a 10% claim and benefit payment are made for angioplasty (a qualified covered condition):
\$3,750 — equal to 10% of the face amount as reduced by the prior payout — is paid under the Qualified Covered Condition Rider.
 - a) The Death Benefit under the policy is reduced to \$33,750.
 - b) The policy's current annual premium of \$395 reduces to \$357.50.
3. Finally, a 75% claim and benefit payment are made for a heart attack (a qualified covered condition):
\$25,312.50 — equal to 75% of the face amount as reduced by the prior payouts — is paid under the Qualified Covered Condition Rider.
 - a) The Death Benefit under the policy is reduced to \$8,437.50.
 - b) The policy's current annual premium of \$357.50 reduces to \$104.38.
 - c) The policy continues, but the Qualified Covered Condition Rider ends for payment of a 75% benefit.

Note: Premium reductions are not pro-rata because the policy premium includes a \$20 policy fee which does not vary with the face amount and is not reduced.



Illinois, where Morena works and has a high deductible healthcare plan with her employer. Morena has a history of cancer. Morena bought a Timber Ridge Series plan with the Family Rider (Child Rider) to provide living benefits to help with childcare and daily living expenses, or provide a death benefit

Example: 1) the face amount of the Policy will be reduced by the amount of benefit paid under the Rider; and 2) the premium for the Policy will be reduced to reflect that reduction.

Why Critical Illness Coverage?

Thanks to advances in technology, many Americans are surviving critical illnesses that may have been fatal in the past. Almost everyone knows someone who has experienced a critical illness of some kind and survived. Critical illness insurance is designed to provide financial assistance to policyowners facing challenges associated with being diagnosed with a critical illness.

With Timber Ridge Series, critical illness benefits are built into a term life insurance policy, designed to pay death benefits if you die and living benefits if you are diagnosed with a covered condition when you need those benefits the most.

Isn't a Check Better than a Get Well Card?

Benefits through Timber Ridge Series are paid directly to you. You choose how to spend the money at a time when you and your family may need extra cash the most. Some examples of the ways in which you may choose to spend the benefit paid to you:

- ◎ Co-pays and deductibles
- ◎ Home healthcare
- ◎ Cost of caregivers
- ◎ Lost income of self or spouse
- ◎ Daily living expenses
- ◎ Non-covered "experimental" treatments
- ◎ Housekeeping or childcare expenses
- ◎ Maintenance of your family's quality of life

Our Story

Colorado Bankers Life Insurance Company® (CBLife) has been helping working American successfully build and manage their insurance needs for more than 40 years. It provides individuals with voluntary, supplemental benefit products through payroll deduction programs with U.S. business owners that yield two advantages: 1) employees receive convenient and affordable financial protection for themselves and their families; 2) employers assist their employees in having greater insurance choices without incurring additional cost or obligation to themselves. In addition, CBLife offers its products directly to individuals.

Voluntary, supplemental products currently offered by CBLife include:

- ◎ Individual term life insurance with critical illness
- ◎ Individual term and whole life insurance with a flexible premium annuity rider
- ◎ Individual accident only insurance
- ◎ Accident medical expense insurance
- ◎ Level and graded whole life insurance

Colorado Bankers Life Insurance Company (CBLife), rated B++ (Good) by A.M. Best,⁶ provides insurance coverage in 49 states, the District of Columbia and Puerto Rico. CBLife serves unions, individuals, public and private companies, municipalities, school districts and federal, state, postal and military personnel.

⁶ Under review as of July 21, 2015. A.M. Best Company rates the overall financial condition of a company using a scale of A++ (Superior) to F (In Liquidation).

This document contains a general summary of benefits, exclusions and limitations. Please refer to the policy for the actual terms and conditions that apply. The terms and conditions of the policy will govern in any question about this plan. The Critical Illness Plan consists of a 10-year renewable term life insurance policy with a critical condition accelerated benefit rider, renewable to age 70 and convertible to age 65. Contract form RCT-2011-IL and rider form series CCR-4-2010-IL or CCFR-604 (IL).

Products and services are underwritten and/or provided by Colorado Bankers Life Insurance Company® (Home Office: Charlotte, NC / Administrative Office: Greenwood Village, CO), licensed in 49 states (excluding New York), the District of Columbia and Puerto Rico. Products and services may not be available in all states.

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